5/4/87 C0175-1

800

PAY OF TOP EXECUTIVES — TABLES BEGIN ON P. 22

American Banker

The Daily Financial Services Newspaper

150222000015 8/15/05 C11
CONGRESSIONAL INFOR SREV SRI
ACQUIS EDITOR SRI
4520 E. WEST HIGHWAY
BETHESDA MD 20814

VOL. CLII NO. 86 Monday, May 4, 1987 Year

TODAY

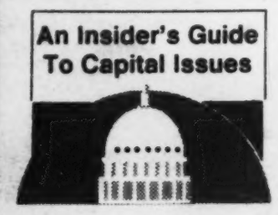
EUROWEEK

A NEW COLUMN, Euroweek, will follow the Eurobond market from the *American Banker's* London bureau and will appear every Monday. Today's story covers the impact of last week's foreign-exchange fluctuations on the dollar.....2

NEWS MONDAY

WEEKLY REVIEW AND OUTLOOK — Pull Out Section Starts on 13

Banking legislation veered off in new directions last week, as the House leadership concluded that the FSLIC needed an injection of $15 billion.....13



CONSUMERS ARE WELL AWARE of recent changes in tax law, and sizable numbers of them already have made plans to alter their financial behavior, a survey finds.....13

CAPITAL PEOPLE: Thomas Rideout is in line to head the ABA.....14

ARE BANK REGULATORS too chummy with the institutions they supervise?.....15

Index of the Week's Top Stories...20

People.....19

CITIBANK RAISED its prime rate early Friday to 8% from 7¾%.....2

ROYALTY HELP CHASE celebrate 100 years in London.....2

FSLIC HAS TOUGHENED the terms of the Simon deal.....3

TELEPHONE AND TRAVEL expenses can eat up banks' profits, says Dr. Paul S. Nadler.....4

THE GEPHARDT TRADE BILL could rival the damage of the Tariff Act of 1930, writes H. Erich Heinemann.....7

HARRIS TRUST plans to reduce the costs of its credit cards.....9

THE FED'S DECISION allowing limited underwriting activities is summarized on.....21

MARINE MIDLAND'S Geoffrey Thompson picks his target before shooting at a market.....32

KEEPING CURRENT

Executive Changes.....6

In the News.....3

Memory Bank.....4

Quote

I think the dissent is troubling, to say the least.

An attorney for J.P. Morgan & Co., on the Fed's split decision on underwriting activities for banks [Page 1]

Unquote

3 from Morgan Among Top Paid

By KENNETH J. HICKS

NEW YORK — J.P. Morgan & Co. became the first banking company to pay its two top executives more than $1 million each in a year.

In fact, the top three executives at Morgan — Lewis T. Preston, chairman; Robert V. Lindsay, president until Dec. 31, 1986; and Dennis Weatherstone, president since Jan. 1 of this year — each made more than $1 million in 1986, and each ranked among the 10 highest-paid executives in the banking industry.

These are some of the findings of the *American Banker's* annual survey of executive remuneration at the nation's top 50 banking firms. The rankings are based on the combined remuneration of the two highest paid officers of the firm. The survey also identifies the 10 highest paid executives in banking.

Executive remuneration, as defined by the *American Banker*, is total compensation — whether current or deferred — paid or credited for services during 1986 to the two highest paid officers of a company. Included are salary, bonus incentive payments, profit sharing, and all other remuneration related to 1986 services. Excluded are pension and retirement plan payments, stock options exercised, stock appreciation rights, and contingent, long-term

AN American Banker SPECIAL REPORT

Executives: Page 12

Fed's Ruling Not Clear-cut Bank Victory

Decision on Underwriting Leaves Industry Worried

By JED HOROWITZ

NEW YORK — Bankers are more concerned than relieved by the Federal Reserve Board's approval of underwriting powers for three major banks. Particularly worrisome, they said, is the dissent in the 3-to-2 decision by Fed Chairman Paul A. Volcker and Governor Wayne Angell.

The dissent is likely to provide strong legal ammunition to groups opposed to new bank powers. On Friday, less than 24 hours after the board's approval, the Securities Industry Association filed suit in the U.S. Court of Appeals for the Second Circuit in Manhattan to overturn the decision.

The trade group simultaneously asked the Fed to stay its approval, pending the judicial review. A Fed spokesman said it was studying the request.

Summary of Decision
Page 21

Matthew Fink, general counsel of the Investment Company Institute, said the mutual fund trade association is almost certain to join in the SIA suit.

"It is somewhat encouraging that Federal Reserve Board Chairman Paul Volcker and Governor Wayne Angell dissented from the decision," said SIA president Edward I. O'Brien. "In essence, they agreed with SIA's position concerning the prohibition of bank affiliates underwriting securities. They

Fed: Page 31

THE FIRST OPEN PLATFORM FOR BRANCH AUTOMATION.

Financial Tower is a trademark of NCR Corporation

Only one branch automation system is built around industry standards to protect your organization from obsolescence. The Financial Tower™ System.

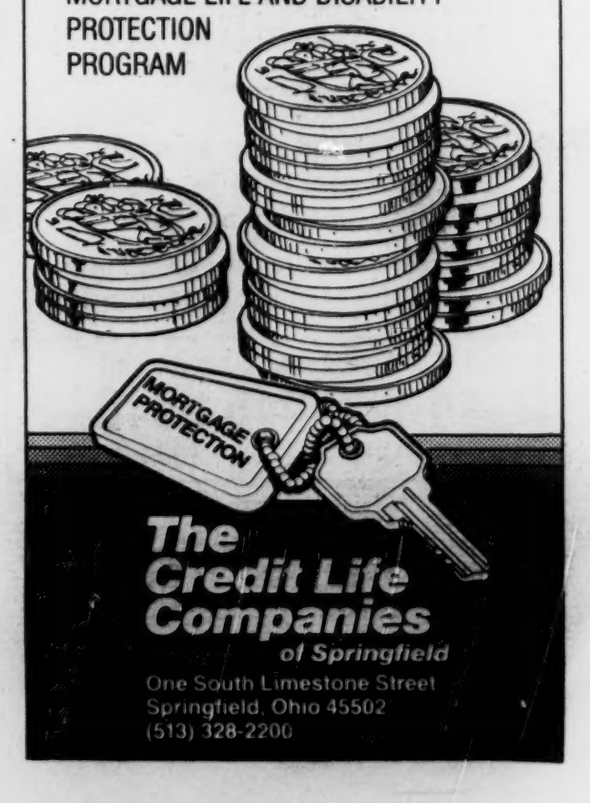
For complete information phone 1-800- CALL NCR.

NCR

© 1986 NCR Corporation

YOUR **PASSKEY** TO GREATER PROFITABILITY

THE CONTEMPORARY, COMPREHENSIVE MORTGAGE LIFE AND DISABILITY PROTECTION PROGRAM



The Credit Life Companies of Springfield

One South Limestone Street
Springfield, Ohio 45502
(513) 328-2200

The subscription and community offerings have ended. This announcement appears as a matter of record only.

New Issue/March 31, 1987

1,150,000 Shares

DEERFIELD FEDERAL

DEERFIELD FEDERAL SAVINGS AND LOAN ASSOCIATION

Common Stock

$12.50 Per Share

Adams Cohen & Associates Inc. acted as consultant and advisor to Deerfield Federal Savings and Loan Association with respect to the Association's subscription offering to certain account holders and borrowers, to its employees, officers and directors, and to members of the general public.

The 1,150,000 shares sold by the Association in its subscription offering constitute all of the shares of common stock to be issued by Deerfield Federal Savings and Loan Association upon its conversion from a federal mutual savings association to a federal stock form savings association.

Adams Cohen Securities Inc. provided a stand-by underwriting facility to Deerfield Federal Savings & Loan Association.

Adams Cohen & Associates Inc. provided conversion agent and proxy solicitation services to the Association.

ADAMS COHEN

Adams Cohen & Associates Inc. • Adams Cohen Securities Inc.
98 Cutter Mill Road, Great Neck, New York 11021
516-829-3410

THE UNIVERSITY OF CAMBRIDGE &
THE UNIVERSITY OF CALIFORNIA, LOS ANGELES

BUSINESS AND FINANCIAL LAW IN ENGLAND TODAY

September 6–19, 1987

This conference for attorneys, investment bankers, and security analysts consists of one week in residence at Cambridge with lectures by the distinguished law faculty who trace the history of the business, financial, and legal environment through the Financial Services Act of 1986. The second week in London includes lectures and special field trips to major British legal and financial institutions.

For further information call UCLA Extension/Legal Programs at (213) 825–0741.

UCLA EXTENSION

10 Highest Paid Bank Executives

Rank 1986	Rank 1985		Remuneration 1986	Remuneration 1985
1	1	**Lewis T. Preston** Chairman of J.P. Morgan & Co., Inc. & Morgan Guaranty Trust Co.	$1,490,000	$1,246,875
2	3	**Alfred Brittain III** Chairman of Bankers Trust New York Corp. & Bankers Trust Co.	1,300,000	1,002,400
3	8	**Carl Reichardt** Chairman & CEO of Wells Fargo & Co.	1,200,000	925,002*
4	2	**Willard C. Butcher** Chairman of Chase Manhattan Bank NA	1,189,397	1,132,250
5	5	**John S. Reed** Chairman of Citicorp	1,183,933	969,500
6	10	**Charles S. Sanford, Jr.** President of Bankers Trust New York Corp. & Bankers Trust Co.	1,150,000	836,600
7	4	**R.J. Flamson III** Chairman & CEO of Security Pacific Corp.	1,135,800	970,634
8	7	**Robert V. Lindsay** President of J.P. Morgan & Co., Inc. & Morgan Guaranty Trust Co.	1,123,250	938,750
9	9	**Dennis Weatherstone** President of J.P. Morgan & Co. & Morgan Guaranty Trust Co.	1,107,917	889,937
10	--	**Barry F. Sullivan** Chairman First Chicago Corp. and First National Bank	996,593	682,741

* — Includes total dollar amount of salary, bonus or incentive payments, profit sharing, and all other remuneration (such as insurance premiums, club membership fees, and tax service fees paid by the corporation for the executive), whether current or deferred, attributable to services in 1986. Excluded are pension plan payments or accruals; stock options exercised; contingent, long-term performance awards; and amounts expensed as compensation arising from stock appreciation rights.

J.P. Morgan Takes Top Spot in Survey Of Bank Executives' Compensation

➳ **Continued from Page 1**

bonus payments.

Long-term incentive pay is excluded because it is contingent on the executive's performance over an extended period — generally two or three years. For the first time, however, bank executives who received long-term incentive payments during the year are listed, in a table on page 26.

The combined compensation given by Morgan to its two highest paid executives last year — Mr. Preston and Mr. Lindsay — was up almost 20%, to $2.6 million from $2.2 million in 1985. This gain enabled Morgan to maintain its No. 1 ranking for the third consecutive year.

Mr. Preston also maintained his title as the highest paid executive in banking, earning $1.49 million for services rendered in 1986, up 19.5% from $1.25 million in 1985. Mr. Lindsay was the eighth highest paid banker last year, earning $1.12 million, up 19.7% from $939,000 in 1985, when he ranked seventh in remuneration. Mr. Weatherstone again ranked as the nation's ninth highest paid bank executive last year, earning $1.1 million, up 24.5% from the $890,000 he earned as chairman of the executive committee in 1985.

Morgan is the fourth largest bank holding company in the nation, with assets of $76 billion. In addition, Morgan ranked second in earnings among banking firms, with net income of $872.5 million in 1986, up 24% from $705.4 million the year before.

Overall, most bank holding companies performed well relative to other segments of the business community. Deregulation has made it easier for banks to compete and given them more means to earn money.

Jacques P. Andre, senior vice president at Paul R. Ray & Co., a New York-based executive search firm, noted that more commercial banks have been active in investment banking. With the financial markets showing strength for the greater part of 1986, most of the bank holding companies had positive financial results.

"The financial services industry did very well in terms of financial results, especially investment banking . . . and so far the prognosis is strong for this year," Mr. Andre said.

Texas Drops from List

He also pointed out that "commercial bank performance was mixed, depending on loan losses" connected with energy and foreign lending.

This is illustrated by the disappearance of Texas bank holding companies from the rankings. Last year, there were three Texas holding companies in the survey, including RepublicBank Corp., which ranked ninth. In 1984, four of the holding companies appeared in the listing.

Other Salary Tables
Pages 22, 24, 26

Superregional bank holding companies continue to move up in the rankings of the top banking firms in executive compensation. Ten of the top 20 companies in remuneration were superregionals in 1986, compared with seven in 1985 and six in 1984. Executive pay was up 17.7% for the 24 executives of the superregional firms in today's survey, compared with a 15.7% gain for the 76 executives from nonsuperregional banking companies.

Of the 10 highest paid bankers, nine received over $1 million, compared with only three in 1985 and one in 1984. As in 1985, seven of the 10 highest paid bank executives were with New York-based firms. Carl E. Reichardt, chairman of Wells Fargo & Co., replaced Richard J. Flamson 3d, chairman of Security Pacific Corp., as the highest paid banker outside New York. Mr. Reichardt's compensation of $1.2 million made him the third-highest-paid bank executive.

Among the top 50 firms in remuneration, 49 paid their top two executives more than $1 million in combined salaries and bonuses for 1986 services. In 1985, 36 of the top 50 firms paid their two top executives over $1 million, and in 1984, only 23 did so.

Long-Term Incentive Pay

Dean E. Richardson, chairman of Manufacturers National Corp., Detroit, received the highest long-term incentive pay in 1986: $354,375. He was followed by Daniel P. Davison, chairman and CEO of U.S. Trust Corp., New York, with $339,226; Alfred Brittain 3d, chairman of Bankers Trust New York Corp., $300,000; Walter V. Shipley, chairman of Chemical New York Corp., $287,625; and Gerald V. MacDonald, president Manufacturers National Bank of Detroit, $275,625.

CoreStates Financial Corp. was the only major bank holding company that did not provide the *American Banker* with information on executive compensation. In last year's rankings, CoreStates ranked 35th in executive remuneration. ■

Top 50 Banks in 1986 Executive Remuneration

Compiled by American Banker Copyright 1987

Rank 1986	Rank 1985		Top Executive Remuneration 1986	1985	% Chg.	Top Executives	Individual Remuneration 1986	1985	% Chg.	Notes
1	1	J.P. Morgan & Co., Inc.	2,613,250	2,185,625	19.6%	Lewis T. Preston, 60 Ch of HC & Morgan Guaranty Trust Co.	1,490,000	1,246,875	19.5%	R,Tr,t
						Robert V. Lindsay, 60 Pr of HC and bank	1,123,250	938,750	19.7%	T,r,t
2	3	Bankers Trust New York Corp.	2,450,000	1,839,000	33.2%	Alfred Brittain III, 64 Ch of HC & Bankers Trust Co.	1,300,000*	1,002,400	29.7%	R,T,r,t
						Charles S. Sanford, Jr. 50 Pr of HC and bank	1,150,000*	836,600	37.5%	R,T,r,t
3	4	Citicorp	2,064,766	1,797,333	14.9%	John S. Reed, 48 Ch of HC	1,183,933	969,500	22.1%	R,T,r
						Thomas C. Theobald, 49 VC & SE of HC	880,833	827,833	6.4%	R,T,r
4	7	Wells Fargo & Co.	2,050,000	1,557,504	31.6%	Carl E. Reichardt, 55 Ch & CEO of HC	1,200,000	925,002	29.7%	R,T,r,t
						Paul Hazen, 45 Pr of HC	850,000	632,502	34.4%	R,T,r
5	2	Chase Manhattan Corp.	2,040,107	1,941,125	5.1%	Willard C. Butcher, 60 Ch of Chase Manhattan Bank NA	1,189,397*	1,132,250	5.0%	R,T,r
						Thomas G. Labrecque, 48 Pr of bank	850,710*	808,875	5.2%	R,T,r
6	5	Security Pacific Corp.	1,964,800	1,692,216	16.1%	Richard J. Flamson III, 57 Ch & CEO of HC	1,135,800	970,634	17.0%	R,T,r,t
						George F. Moody, 56 Pr & COO of HC	829,000	721,582	14.9%	R,T,r,t
7	22	First Chicago Corp.	1,702,994	1,166,630	46.0%	Barry F. Sullivan, 56 Ch of HC & First National Bank	996,593	682,741	46.0%	R,r
						Richard L. Thomas, 56 Pr of HC and bank	706,401	483,889	46.0%	R,T,r,t
8	8	Norwest Corp.	1,699,894	1,412,955	20.3%	Richard S. Levitt, 56 VC of HC & COO Financial Group	886,560	780,345	13.6%	R,T
						Lloyd P. Johnson, 56 Ch, Pr and CEO of HC	813,334	632,610	28.6%	R,T,r
9	6	Manufacturters Hanover Corp.	1,586,575	1,611,316	–1.5%	John F. McGillicuddy, 56 Ch CEO of HC & Manufacturers Hanover Trust Co.	909,735	942,400†	–3.5%	V,r
						John R. Torell III, 47 Pr of HC and bank	676,840	668,916†	1.2%	V,r
10	12	Irving Bank Corp.	1,490,250	1,297,750	14.8%	Joseph A. Rice, 62 Ch & CEO of HC & Irving Trust Co.	905,125	807,750	12.1%	
						Samuel F. Chevalier, 52 Pr of HC and VC of bank	585,125	490,000	19.4%	
11	25	First Union Corp.	1,483,689	1,126,790	31.7%	Edward E. Crutchfield, Jr., 45 Ch & CEO of HC	852,552	677,223	25.9%	R,r
						Ben T. Craig, 54 Pr of HC	631,137	449,567	40.4%	R,r,t
12	15	First Bank System, Inc.	1,435,709	1,267,870	13.2%	DeWalt H. Ankeny, Jr., 54 Ch & CEO of HC	785,476*	592,533	32.6%	R,T,r,t
						D.E. Evans, 48 Pr & COO of HC	650,233*	.....	...	R,T
13	14	Bank of New York Co. Inc.	1,402,974	1,269,827	10.5%	J. Carter Bacot, 54 Ch & CEO of HC & Bank of New York	845,446	757,710	11.6%	R,r,t
						Peter Herrick, 60 Pr of HC and Pr & C00 of bank	557,528	512,117	8.9%	R
14	20	Midlantic Corp.	1,367,739	1,189,340	15.0%	Robert van Buren, 61 Ch & CEO of HC and Midlantic National Bank, Newark	841,737	722,710	16.5%	R,T,r
						George E. Stock, 65 VC of HC and Pr of Pr of Midlantic National Bank/North, W. Patterson	526,002	466,630	12.7%	
15	18	NBD Bancorp., Inc.	1,346,981	1,199,042	+12.3%	Charles T. Fisher, III, 57 Ch & CEO of HC	865,052	744,179	+16.2%	
						Richard H. Cummings, 65 VC of HC	481,929	454,863	+6.0%	
16	..	Boatmen's Bancshares, Inc.	1,312,489	.....	...	Donald N. Brandin, 65 Ch & CEO of HC	810,468†	.....	...	R
						Andrew B. Craig, III, 55 Pr of HC	502,021†	.....	...	R
17	19	First Interstate Bancorp.	1,300,032	1,192,851	9.0%	J.J. Pinola, 61 Ch & CEO of HC	786,791*	736,050*	6.9%	R,T,t
						Edward M. Carson, 57 Pr of HC	513,241*	456, 801*	12.4%	R,T,r,t
18	27	First Wachovia Corp.	1,297,499	1,067,867	21.5%	John G. Medlin, Jr., 53 Pr & CEO of HC	663,925	540,000	22.9%	R,T
						Thomas R. Williams, 58 Ch of HC	633,574	527,867	20.0%	R,T,r
19	16	Chemical New York Corp.	1,267,500	1,230,000	3.0%	Walter V. Shipley, 52 Ch of HC and Chemical Bank	727,500*	715,000*	1.7%	
						Robert J. Callander, 56 Pr of HC and bank	540,000*	515,000*	4.9%	
						Thomas S. Johnson, 46 Pr of HC and bank	540,000*	515,000*	4.9%	
20	54	Sovran Financial Corp.	1,263,364	874,800	44.4%	C.A. Cutchins, III, 63 Ch & CEO of HC and Sovran Bank NA, Richmond	697,309	473,850	47.2%	R
						C. Coleman McGehee, 62 Pr & COO of HC and bank	566,055	400,950	41.2%	R

Executive remuneration, as defined by American Banker, is total compensation — whether current or deferred — paid or credited for services during 1986 to the two highest paid officers of the organization. **Included are the following:** salary, bonus and incentive payments, profit sharing, and all other remuneration such as insurance premiums, club membership fees, and tax service fees paid by the corporation for the executive. **Excluded are the following:** pension plan payments; retirement plan payments or accruals; stock options exercised; stock appreciation rights; and contingent long-term bonus payments which are based on the company's performance for a period greater than one year. The American Banker ranking is based on total remuneration paid to the top two executives of the company. The corporation's rankings for both 1986 and 1985 are shown to the left of the corporation's name. Total remuneration for the top two executives, for both 1986 and 1985, is reported to the nearest dollar in the column entitled **"Top Executive Remuneration".** The compensation paid for executives number one and number two for both 1986 and 1985 appear in the column entitled **"Individual Remuneration."** All footnotes that are relevant to the compensation figures reported for each executive— except those dealing with long-term incentive awards— appear in the column labeled **"Notes".** Footnotes which refer to 1986 data are capitalized and footnotes referring to 1985 data are lower case. The titles shown for the executives are those for which they received compensation, excluding directorships. **Title abbreviations:** CAO— Chief Accounting Officer; CEO— Chief Executive Officer; CEx— Chairman of the Executive Committee: Ch— Chairman of the Board; CM— Chairman of the Management Committee; COO— Chief Operating Officer; DCh— Deputy Chairman of the Board; EVP— Executive Vice President; HC— Holding Company; Pr— President; Sec— Secretary; SE— Sector Executive; SEVP—Senior Executive Vice President; SrCh—Senior Vice Chairman of the Board; Tr— Treasurer; VC— Vice Chairman; and VP— Vice President. **NOTES: G,g—** Includes latest salary during the year, at an annual rate, for an officer hired or promoted during the year. **H,h—** Also received a bonus in stock. **P,p—** Includes salary at an annual rate for an officer who left the firm, retired, or died during the year. **R,r—** Also granted stock options. **T,t—** Stock options exercised during the year. **V,v—** Includes cash value of award in stock. Footnotes dealing with long-term compensation appear immediately after the compensation figure reported for each executive. **(†)—** Long-term compensation is included in the remuneration total reported to American Banker by the banking firm, who was unable or unwilling to remove that component from the total. **(*)—** Executive also received a long-term compensation award, which is not included in the remuneration total shown.

Top 50 Banks in 1986 Executive Remuneration

Compiled by American Banker Copyright 1987

Rank 1986	Rank 1985		Top Executive Remuneration 1986	1985	% Chg.	Top Executives	Individual Remuneration 1986	1985	% Chg.	Notes
21	26	**National Westminster Bank USA**	1,257,613	1,103,604	14.0%	William T. Knowles, 52 Ch & CEO of bank	719,867	648,832	10.9%	
						Robert F. Wallace, 53 Pr & COO of bank	537,746	454,772	18.2%	
22	29	**Norstar Bancorp., Inc.**	1,245,393	1,045,488	19.1%	Peter D. Kiernan, 63 Ch & Pr of HC	761,763	644,398	18.2%	
						Frank H. Odell, 64 VC of HC and Ch of Norstar Bank of Upstate NY	483,630	401,090	20.6%	
23	21	**Republic New York Corp.**	1,241,750	1,184,553	4.8%	Walter H. Weiner, 56 Ch of HC and Republic National Bank	660,850	587,313	12.5%	
						Jacques Tawil, 60 VC of HC and bank	580,900	.....	...	
24	53	**Union Bancorp.**	1,217,023	876,219	38.9%	John F. Harrigan, 61 Ch of Union Bank, Los Angeles	793,116	565,382	40.3%	
						John M. Heidt, 55 Pr of bank	423,907	310,837	36.4%	
25	17	**Continental Illinois Corp.**	1,200,000	1,200,000	0.0%	John E. Swearingen, 68 Ch HC	600,000	600,000	0.0%	r
						William S. Ogden, 59 Ch of Continental Illinois National Bank & Trust Co.	600,000	600,000	0.0%	
26	49	**Bank of Boston Corp.**	1,193,400	907,433	31.5%	William L. Brown, 64 Ch of HC	755,400	567,095	33.2%	H,R,r
						Ira Stepanian, 50 Pr of HC	438,000	340,338	28.7%	H,R,T,r
27	10	**Mellon Bank Corp.**	1,186,383	1,315,096	-9.8%	J. David Barnes, 57 Ch & CEO of HC & Mellon Bank NA	724,148	816,633	-11.3%	r
						George T. Farrell, 56 Pr of HC and bank	462,235	498,463	-7.3%	r
28	31	**Northern Trust Corp.**	1,183,155	1,031,000	14.8%	Weston R. Christopherson, 61 Ch & Pr of HC & Northern Trust Co.	793,616	639,000	24.2%	
						David W. Fox, 55 VC of HC and bank	389,539	.....	...	
29	42	**Hartford National Corp.**	1,169,752	940,569	24.4%	Robert L. Newell, 64 Ch of HC	586,646*	512,691	14.4%	R,T,r,t
						Joel B. Alvord, 48 Pr & CEO of HC	583,106*	427,878	36.3%	R,T,r
30	32	**Marine Midland Banks, Inc.**	1,166,173	1,024,353	13.8%	John R. Petty, 56 Ch & CEO of HC and Marine Midland Bank NA	721,693	652,838	10.5%	R,r
						Geoffrey A. Thompson, 46 Pr & COO of HC and bank	444,480	.....	...	
31	39	**Fleet Financial Group, Inc.**	1,151,923	970,289	18.7%	J. Terrence Murray, 47 Ch & Pr of HC	775,000	653,462	18.6%	R,T,r,t
						Robert L. Mushkin, 47 EVP of HC	376,923	316,827	19.0%	R,r,t
32	37	**Bank of New England Corp.**	1,150,449	987,737	16.5%	Walter J. Connolly, Jr., 58 Ch & CEO of HC	653,564	564,354	15.8%	R,r
						Peter H. McCormick, 50 Pr of HC and CEO of Bank of New England NA	496,885	421,383	17.9%	R,T,r
33	36	**BankAmerica Corp.**	1,150,000	995,000	15.6%	A.W. Clausen, 64 Ch & CEO of HC since 10/13/86	575,000	...	...	G,R
						Samuel H. Armacost, 47 Pr of HC until 10/13/86	575,000	575,000	0.0%	P,r
34	23	**Equimark Corp.**	1,141,657	1,158,046	-1.4%	Alan S. Fellheimer, 43 Ch & CEO of Equibank, Pittsburgh	770,362	635,113	21.3%	
						Claire W. Gargalli, 44 Pr of bank	371,295	.....	...	
35	30	**PNC Financial Corp.**	1,134,592	1,044,055	8.7%	Thomas H. O'Brien, 49 Pr & CEO of HC	605,470	505,903	19.7%	R,T,r,t
						Roger S. Hilas, 59 Ch of HC and Ch & CEO of Provident National Bank, Philadelphia	529,122	538,152	-1.7%	R,r
36	34	**Barnett Banks of Florida, Inc.**	1,129,600	1,005,500	12.3%	Charles E. Rice, 51 Ch, Pr & CEO of HC	733,200	657,800	11.5%	R,T,r,t
						Albert D. Ernest, Jr., 56 VC of HC	396,400	347,700	14.0%	R,r,t
						Earl B. Hadlow, 62 VC of HC	396,400	347,700	14.0%	R,r,t
						Thomas H. Jacobsen, 47 VC of HC	396,400	347,700	14.0%	R,r,t
						Allen L. Lastinger, 44 VC of HC	396,400	347,700	14.0%	R,r,t
37	43	**First Fidelity Bancorp.**	1,118,648	937,541	19.3%	Robert R. Ferguson, 63 Pr & CEO of HC and Ch of First Fidelity Bk NA, Newark	678,165	569,958	19.0%	R,T,r,t
						Edward D. Knapp, 52 SEVP of HC and CEx of bank	440,483	367,583	19.8%	R,T,r,t
38	44	**First Hawaiian, Inc.**	1,098,470	934,050	17.6%	John D. Bellinger, 63 Ch & CEO of HC and First Hawaiian Bank	701,439	605,885	15.8%	V
						Walter A. Dods, Jr., 45 Pr of HC	397,031	328,165	21.0%	V
39	45	**Society Corp.**	1,087,984	923,939	17.8%	Gordon E. Heffern, 62 Ch & CEO of HC and Ch of Society National Bank	676,016	490,750	37.8%	T,r,t
						Robert W. Gillespie, 42 Pr & COO of HC and Pr & CEO of bank	411,968	.....	...	T
40	38	**Banc One Corp.**	1,087,060	970,878	12.0%	John B. McCoy, 43 Pr of HC	621,506	492,267	26.3%	
						Frank E. McKinney, Jr., 48 Ch of HC	465,554	.....	...	

Executive remuneration, as defined by American Banker, is total compensation — whether current or deferred — paid or credited for services during 1986 to the two highest paid officers of the organization. **Included are the following:** salary, bonus and incentive payments, profit sharing, and all other remuneration such as insurance premiums, club membership fees, and tax service fees paid by the corporation for the executive. **Excluded are the following:** pension plan payments; retirement plan payments or accruals; stock options exercised; stock appreciation rights; and contingent long-term bonus payments which are based on the company's performance for a period greater than one year. The American Banker ranking is based on total remuneration paid to the top two executives of the company. The corporation's rankings for both 1986 and 1985 are shown to the left of the corporation's name. Total remuneration for the top two executives, for both 1986 and 1985, is reported to the nearest dollar in the column entitled **"Top Executive Remuneration".** The compensation paid for executives number one and number two for both 1986 and 1985 appear in the column entitled **"Individual Remuneration."** All footnotes that are relevant to the compensation figures reported for each executive— except those dealing with long-term incentive awards— appear in the column labeled **"Notes".** Footnotes which refer to 1986 data are capitalized and footnotes referring to 1985 data are lower case. The titles shown for the executives are those for which they received compensation, excluding directorships. **Title abbreviations:** CAO— Chief Accounting Officer; CEO— Chief Executive Officer; CEx— Chairman of the Executive Committee: Ch— Chairman of the Board; CM— Chairman of the Management Committee; COO— Chief Operating Officer; DCh— Deputy Chairman of the Board; EVP— Executive Vice President; HC— Holding Company; Pr— President; Sec— Secretary; SE— Sector Executive; SEVP—Senior Executive Vice President; SrCh—Senior Vice Chairman of the Board; Tr— Treasurer; VC— Vice Chairman; and VP— Vice President. **NOTES: G,g—** Includes latest salary during the year, at an annual rate, for an officer hired or promoted during the year. **H,h—** Also received a bonus in stock. **P,p—** Includes salary at an annual rate for an officer who left the firm, retired, or died during the year. **R,r—** Also granted stock options. **T,t—** Stock options exercised during the year. **V,v—** Includes cash value of award in stock. Footnotes dealing with long-term compensation appear immediately after the compensation figure reported for each executive. **(†)—** Long-term compensation is included in the remuneration total reported to American Banker by the banking firm, who was unable or unwilling to remove that component from the total. **(*)—** Executive also received a long-term compensation award, which is not included in the remuneration total shown.

Top 50 Banks in 1986 Executive Remuneration

Compiled by American Banker Copyright 1987

Rank 1986	Rank 1985		Top Executive Remuneration 1986	1985	% Chg.	Top Executives	Individual Remuneration 1986	1985	% Chg.	Notes
41	65	U.S. Trust Corp.	1,067,500	812,285	21.2%	Daniel P. Davison, 61 Ch & CEO of HC	653,192*	539,134	21.2%	T
						H. Marshall Schwartz, 50 Pr of HC	414,308*	273,151	51.7%	R,T
42	41	Citizens & Southern Corp.	1,064,535	940,737	13.2%	Bennett A. Brown, 57 Ch & CEO of HC	612,382	557,044	9.9%	Rr,t
						John W. McIntyre, 56 VC of HC and Ch, Pr, & CEO of VC Citizens & Southern National Bank, Atlanta	452,153	383,693	17.8%	Rr,t
43	28	NCNB Corp.	1,055,000	1,053,982	0.1%	Hugh L. McColl, Jr. 51 Ch of HC, NCNB National Bank of North Carolina, and NCNB National Bank of Florida, Tampa	640,000	638,982	0.2%	
						Francis B. Kemp, 46 Pr of HC	415,000	.....	...	
44	61	Signet Banking Corp.	1,054,994	838,942	25.8%	Frederick Deane, Jr., 60 Ch & CEO of HC and Ch of Bank of Virginia	571,870	495,822	15.3%	R,r,t
						J. Stevenson Peck, 63 Pr of HC, Ch & CEO of Union Trust Bancorp., Baltimore and Signet Bank/Maryland, Baltimore	483,124	343,120	40.8%	R,r,t
45	33	Shawmut Corp.	1,052,405	1,006,846	4.5%	John P. LaWare, 58 Ch & CEO of HC	649,703†	640,292	1.5%	
						John P. Hamill, 46 Pr of HC	402,702†	366,554	9.9%	
46	69	Southeast Banking Corp.	1,029,400	770,977	33.5%	Charles J. Zwick, 60 Ch & CEO of HC	556,000	414,500	34.1%	R,r
						John E. Porta, 55 Pr & COO of HC	473,400	356,477	32.8%	R
47	40	City National Corp.	1,027,749	941,442	9.2%	Bram Goldsmith, 64 Ch & CEO of HC & City National Bank, Beverly Hills	763,749	701,442	8.9%	
						Alexander Kyman, 57 Pr of HC and bank	264,000	240,000	10.0%	T,t
48	71	Indiana National Corp.	1,016,603	756,000	34.5%	Thomas M. Miller, 56 CEO of HC	585,439	432,000	35.5%	R,r,t
						Andrew J. Paine, Jr., 49 VC of HC and Pr of Indiana National Bank	431,164	324,000	33.1%	R,r,t
49	51	State Street Boston Corp.	1,011,441	885,328	14.2%	William S. Edgerly, 60 Ch of HC	584,627	514,502	13.6%	r
						Peter E. Madden, 45 Pr of HC	426,814	370,826	15.1%	r
50	79	SunTrust Banks, Inc.	995,600	724,716	37.4%	Robert Strickland, 59 Ch & CEO of HC	504,350*	354,500	42.3%	R,r
						Joel R. Wells, Jr., 58 Pr of HC	491,250	370,216	32.7%	R,T

Executive remuneration, as defined by American Banker, is total compensation — whether current or deferred — paid or credited for services during 1986 to the two highest paid officers of the organization. **Included are the following:** salary, bonus and incentive payments, profit sharing, and all other remuneration such as insurance premiums, club membership fees, and tax service fees paid by the corporation for the executive. **Excluded are the following:** pension plan payments; retirement plan payments or accruals; stock options exercised; stock appreciation rights; and contingent long-term bonus payments which are based on the company's performance for a period greater than one year. The American Banker ranking is based on total remuneration paid to the top two executives of the company. The corporation's rankings for both 1986 and 1985 are shown to the left of the corporation's name. Total remuneration for the top two executives, for both 1986 and 1985, is reported to the nearest dollar in the column entitled **"Top Executive Remuneration".** The compensation paid for executives number one and number two for both 1986 and 1985 appear in the column entitled **"Individual Remuneration."** All footnotes that are relevant to the compensation figures reported for each executive— except those dealing with long-term incentive awards— appear in the column labeled **"Notes".** Footnotes which refer to 1986 data are capitalized and footnotes referring to 1985 data are lower case. The titles shown for the executives are those for which they received compensation, excluding directorships. **Title abbreviations:** CAO— Chief Accounting Officer; CEO— Chief Executive Officer; CEx— Chairman of the Executive Committee; Ch— Chairman of the Board; CM— Chairman of the Management Committee; COO— Chief Operating Officer; DCh— Deputy Chairman of the Board; EVP— Executive Vice President; HC— Holding Company; Pr— President; Sec— Secretary; SE— Sector Executive; SEVP—Senior Executive Vice President; SrCh—Senior Vice Chairman of the Board; Tr— Treasurer; VC— Vice Chairman; and VP— Vice President. **NOTES: G,g**— Includes latest salary during the year, at an annual rate, for an officer hired or promoted during the year. **H,h**— Also received a bonus in stock. **P,p**— Includes salary at an annual rate for an officer who left the firm, retired, or died during the year. **R,r**— Also granted stock options. **T,t**— Stock options exercised during the year. **V,v**— Includes cash value of award in stock. Footnotes dealing with long-term compensation appear immediately after the compensation figure reported for each executive. **(†)**— Long-term compensation is included in the remuneration total reported to American Banker by the banking firm, who was unable or unwilling to remove that component from the total. **(*)**— Executive also received a long-term compensation award, which is not included in the remuneration total shown.

Long-Term Incentive Awards

At Top Banking Firms in Executive Compensation

Listed According to Long-Term Pay Awarded in 1986*

Name of Executive, Title and Firm	Long-Term Incentive Pay	Remuneration for 1986 Services	Total Compensation For 1986	Remun. Rank
Dean E. Richardson, Chairman Manufacturers National Corp.	354,375	540,950	895,325	52
Daniel P. Davison, Chairman and CEO of U.S. Trust Corp.	339,226‡	653,192	992,418	41
Alfred Brittain III, Chairman of Bankers Trust New York Corp.	300,000	1,300,000	1,600,000	2
Walter V. Shipley, Chairman of Chemical New York Corp.	287,625	727,500	1,015,125	19
Gerald V. MacDonald, President Manufacturers National Bank of Detroit	275,625	411,625	687,250	52
Charles S. Sanford, Jr., President of Bankers Trust New York Corp.	250,000	1,150,000	1,400,000	2
Robert Strickland, Chairman and CEO of SunTrust Banks, Inc.	224,100	504,350	728,450	50
DeWalt H. Ankeny, Jr., Chairman and CEO of First Bank System, Inc.	217,600	785,476	1,003,076	12
Robert J. Callander, President of Chemical New York Corp.	215,719	540,000	755,719	19
Thomas S. Johnson, President of Chemical New York Corp.	215,719	540,000	755,719	19
J.J. Pinola, Chairman and CEO of First Interstate Bancorp.	197,750	786,791	984,541	17
D.E. Evans, President and COO of First Bank System, Inc.	185,800	650,233	836,033	12
H. Marshall Schwartz, President of U.S. Trust Corp.	164,062‡	414,308	578,370	41
Edward M. Carson, President of First Interstate Bancorp.	127,750	513,241	640,991	17
Robert L. Newell, Chairman of Hartford National Corp.	70,000	586,646	656,646	29
Joel B. Alvord, President and CEO of Hartford National Corp.	60,000	583,106	643,106	29
Willard C. Butcher, Chairman of Chase Manhattan Bank NA	N.A.	1,189,397	1,189,397★	5
Thomas G. Labrecque, President of Chase Manhattan Bank NA	N.A.	850,710	850,710★	5
Donald N. Brandin, Chairman and CEO of Boatmen's Bancshares, Inc.	N.A.	810,468†	810,468	16
John P. LaWare, Chairman and CEO of Shawmut Corp.	N.A.	649,703†	649,703	45
Andrew B. Craig, III, President of Boatmen's Bancshares, Inc.	N.A.	502,021†	502,021	16
John P. Hamill, President of Shawmut Corp.	N.A.	402,702†	402,702	45

(*)—If the amount of long-term incentive pay is unavailable, executives are listed in order of total compensation for 1986. American Banker defines **long-term incentive pay** as contingent compensation based on the executive's performance over an extended period of time greater than one year— generally two or three years. For this reason, American Banker asked banking firms to exclude long-term compensation when reporting executive remuneration for services rendered in 1986. For the purposes of this table, American Banker defines **total compensation** for 1986 as the sum of remuneration for 1986 services plus long-term incentive pay. **(‡)**—All long-term incentive pay was deferred. **(†)**—Firm did not break out long-term incentive pay from remuneration attributable to 1986 services only, therefore, long-term incentive pay is included in the 1986 remuneration total. **(★)**—The dollar amount of long-term incentive pay was not available, therefore the total remuneration figure shown does not include this long-term incentive pay. **Remun. Rank** is the rank based on the combined remuneration paid to the firm's top two executives for services rendered in 1986.